SCOTT M. MATHESON
Governor

GORDON E. HARMSTON

Executive Director,

NATURAL RESOURCES

CLEON B. FEIGHT

Director



## STATE OF UTAH

DEPARTMENT OF NATURAL RESOURCES

DIVISION OF OIL, GAS, AND MINING 1588 West North Temple Salt Lake City, Utah 84116 (801) 533-5771

January 2, 1981

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Mr. Mark R. Welch
Ranchers Exploration &
Development Corporation
1776 Montano Road, N.W.
Box 6217
Albuquerque, New Mexico 87107

RE: Annual Operations and
Progress Report
Escalante Silver Mine - ACT/021/004
Small Fry Mine - ACT/037/022

Dear Mr. Welch:

As you are aware, your company has been approved to operate the above named mine(s) under the 1975 Utah Mined Land Reclamation Act. Section 40-8-15 of the Act and Rule M-8 require that each operator file with the Division an Annual Operations and Progress Report for each mining operation having an approved mining and reclamation plan. Also, an updated map and plan prepared in accordance with Rule M-3 is required to keep the Division informed of the current status of the operation.

Enclosed you will find a revised MR Form 3 to be completed and returned to the Division, along with an updated map and plan, by January 31, 1981.

If you have any questions regarding the above, please do not hesitate to call. Thank you for your cooperation.

Sincerely,

JAMES W. SMITH, JR.

COORDINATOR OF MINED LAND DEVELOPMENT

JWS/te

Enc: Revised MR Form 3

(Annual Operations & Progress Report)